

## **National Conference of State Social Security Administrators**

October 28, 2019

The Honorable Kevin Brady, Ranking Member Committee on Ways and Means U.S. House of Representatives 2018 Rayburn House Office Building Washington, DC 20515

Subject: Support for H.R. 3934, the Equal Treatment of Public Servants Act of 2019

## Dear Ranking Member Brady:

On behalf of the National Conference of State Social Security Administrators (NCSSSA) and as its recently elected President I want to reiterate NCSSSA's continuing support for H.R. 3934, the "Equal Treatment of Public Servants Act of 2019, 116th Congress, 1st Session) which is intended to replace the Windfall Elimination Provision (WEP) with a new formula referred to as the "Public Servant Fairness" (PSF) formula. As a reminder to previous letters that were sent by previous NCSSSA Presidents, including my immediate predecessor, i.e., Mr. Thomas J. (T.J.) Reardon, Esq., NCSSSA was founded in 1952, after the U.S. Social Security Act was amended by Congress to include Section 218 [42 U.S.C. §418] in 1950. It is the only professional organization for State Social Security Administrators (State Administrators) in the country (52 total - all states plus Puerto Rico and the Virgin Islands) collectively representing the more than 90,000 state and local government (public) employers and their 19 million employees. The State Administrator serves as a vital "bridge" between the federal government -- both the U.S. Internal Revenue Service (IRS) and Social Security Administration (SSA) -- and the nation's public employers and employees, their legal and financial advisors, and public retirement plan officials. For more information about NCSSSA and State Administrators, please visit our website at: www.ncsssa.org.

Mr. Reardon sent a letter on August 26, 2019, in which he not only expressed NCSSSA's support for H.R. 3934, but also outlined a number of suggestions for how to improve the bill. I do not want to repeat the entire contents of that letter here since the purpose of this letter is to reiterate NCSSSA's support for H.R. 3934 to the extent we outlined in the August 2019 letter. If you need a copy of that letter, please let me know and I will gladly send another copy. As was noted in that letter NCSSSA finds H.R. 3934 to be an improvement over the current WEP as an effort to assist the more than 1.8 million public beneficiaries impacted by it nationwide. NCSSSA supports the repeal of WEP and replacement of it with a new formula, such as the one proposed in H.R. 3934, which is referred to as the "Public Servant Fairness Formula" (PSF). NCSSSA finds that H.R. 3934 offers a fair and unique approach to the WEP issue by providing a more reasonable process for ensuring public employees who have paid into the Social Security Trust Fund have their Social Security benefits more accurately calculated based on their actual data, rather than use of an arbitrary formula, such as has been the situation for decades.

While not addressed in H.R. 3934, NCSSSA encourages Congress to eventually address the negative effects on public employees who are impacted by the Government Pension Offset (GPO). GPO has a deleterious impact on the survivor benefits of public servants who have non-covered Social Security benefits because their entire Social Security benefit can be eliminated due to the public pension offset permitted by that law. NCSSSA recommends that Congress replace the GPO formula with the PSF formula that is being proposed to replace WEP.

Please contact me if there are any questions or if further information is needed. My contact information is listed below.

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Thank you for considering our comments on this important legislation.

Sincerely,

Danielle Huffine

NCSSSA President, 2019-2020

cc: The Honorable Richard Neal, Chairman, Committee on Ways and Means, U.S. House of Representatives

Ms. Kathryn Olson, Majority Staff Director, Subcommittee on Social Security Ms. Amy Shuart, Minority Staff Director, Subcommittee on Social Security NCSSSA Executive Committee Members

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<sup>&</sup>lt;sup>1</sup> U.S. Census Bureau, *2012 Census of Governments*. See, generally, U.S. Census Bureau, Census of Governments (various documents), available at: <a href="https://www.census.gov/govs/">https://www.census.gov/govs/</a> and <a href="https://www.census.gov/programs-surveys/cog.html">https://www.census.gov/programs-surveys/cog.html</a>.